



490 N. 31st Street, Suite 308
Billings, MT 59101
Office (406) 248-4267
Fax (406) 248-4270

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SENATE FINANCE & CLAIMS

Exhibit No. 7
Date 3-6-09
Bill No. SB 100

4 March 2009

Senate Finance and Claims Committee
61st Legislature – Regular Session
Capital
Helena, Montana

Attn: Senator Keith Bales, Chairman
Subj: Senate Bill No 100
Letter of support to Musselshell County, Montana Coal Board

Dear Senator Bales:

I am writing this letter on behalf of Musselshell County to emphasize the importance of funding from the Montana Coal Board to the County. As you know, the development of the Signal Peak Mine and Railroad has created challenges to the County which cannot be timely addressed through tax revenue or through the Gross Proceeds tax. For this reason, Signal Peak Energy supports increasing the coal severance tax allocation available for distribution to Musselshell County. I can not overstate the importance of the Coal Board's funding role to shore up Musselshell County's continued support of our project.

If you have any questions or I can be of service, please let me know.

Sincerely,

John M. DeMichiei
President and CEO
Signal Peak Energy, LLC